



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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December 19, 2000

Robert and Terry Steele
1055 North 400 East
Nephi, Utah 84648

Re: Acceptance of Notice of Intention to Commence Small Mining Operations, Hi Cal #1 Project,
S/023/071, Juab County, Utah

Dear Mr. Steele:

Thank you for your Notice of Intention to Commence Small Mining Operations and initial permit application fee, received by the Division on December 14, 2000. The proposed Hi Cal #1 Project is located in the NE1/4 of Section 24, T13S, R2W, SLBM, Juab County, Utah. The application is considered complete and no additional information is required by the Division at this time. You may proceed with your project as outlined in your plan provided you have received written concurrence from the Bureau of Land Management (BLM). Acceptance from the Division does not authorize you to commence operations on federal lands managed by the BLM without meeting their requirements.

In accordance with rule R647-3-105 regarding the project location, the areas to be disturbed should be plotted on a map in sufficient detail so that they can be located on the ground. It is also required that the operator mark the proposed (5 acre or less) disturbed area boundary (including access/haul roads) in the field with metal T-Posts (or with some other marker of equal effectiveness). Markers must be appropriately spaced so that the next marker in either direction is clearly visible with the naked eye.

The Utah Mined Land Reclamation Act of 1975 [40-8-7(I)] provides the authority for fee implementation which was approved by the Utah Legislature at its 1998 session. Commencing July 1, 1998, the fees are assessed to new and existing notices of intention, and annually thereafter. Small Mining Notices require a \$100.00 annual fee.

The variance section of your notice was not checked. Therefore, we will interpret this to mean that you will comply for all the "Operation and Reclamation Practices" as outlined on pages 3 and 4 of the notice. Enclosed is a summarized copy of these rules and the statutory penalty for failure to reclaim a minesite (SMO-1). If you cannot comply with all these requirements, you must submit a variance in writing and provide justification for the variance. A field inspection will have to be performed before a variance can be granted. Please give special consideration to item #10 of the "Operation and Reclamation Practices. Stockpiling topsoil material prior to beginning your mining operation will help ensure successful revegetation efforts upon final reclamation of the minesite. If the area being mined is a solid rock outcrop, or if the land surface is very rocky, then soil stockpiling is probably not possible. However, even the first

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few inches of undeveloped material is worth saving to aid in later revegetation efforts, and future regulatory release from reclamation requirements.

Should you wish to expand your operation beyond the five (5) acre limitation, please notify this office as soon as possible to discuss the necessary permitting requirements. Approval of a large mining notice could take from six to twelve months or longer.

Thank you for your cooperation. When in the area, a member of the Division staff will examine the site. Best wishes with your mining operation.

Sincerely,

A handwritten signature in black ink, appearing to read "Tom Munson", with a long horizontal flourish extending to the right.

Tom Munson
Senior Reclamation Specialist

jb
Enclosure: SMO-1
cc: Larry Garahana, BLM, Fillmore FO w/copy of notice
S23-71-apv